

# GEAR UP

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# Disclaimers!

- This is a discussion—not a presentation—questions and comments are welcome.
- Sorry if the information is too basic or a repeat of what you already know—consider it a refresher and jumping off point to more detailed topics.
- Sorry about all the UW information—its where I live—I'll present as much general information that applies to all schools, sectors as I can.



# DETERMINING FINANCIAL AID ELIGIBILITY

**Costs include:** Tuition, fees, housing, books, transportation, and personal expenses

$$\begin{aligned} &\text{Cost of Attendance} \\ &- \text{Expected Family Contribution} \\ &= \text{Financial Need} \end{aligned}$$

**Expected Family Contribution (EFC):**  
Federal formula that measures the income and assets of the family to determine ability to pay for college

## COST OF ATTENDANCE- STUDENT BUDGETS

<b>2013-14</b>	<b>Lives w/ Parents</b>	<b>Traditional</b>	<b>Non Traditional</b>
<b>Tuition</b>	\$12,397	\$12,397 / \$31,971*	\$12,397 / \$31,971*
<b>Books</b>	1,206	1,206	1,206
<b>Room &amp; Board</b>	3,402	10,752	14,076
<b>Personal</b>	2,265	2,265	2,265
<b>Transportation</b>	414	414	1,296
<b>Total</b>	\$19,684	\$27,034 / \$46,608*	\$31,240 / \$50,814*

\*Non Resident

# Expected Family Contribution (EFC)

- Federally mandated formula
- Determines available income (taxable + non taxed income minus living allowances and taxes)
- Determines available assets (net investments minus retirement allowance based on parent age)
- Assesses a sliding scale percentage of both available income and available assets that increases as income increases
- Divides that parent contribution by the number in college to equal the EFC
- Financial aid officers can adjust the EFC based on professional judgment



# FAFSA information determines EFC

- All schools require the Free Application for Federal Student Aid (FAFSA) to determine eligibility for federal and state aid.
- Most schools have a priority deadline for consideration of the best funds (usually one date per year for four year schools, usually one date per quarter for community colleges).
- FAFSAs are filed on-line at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) and can be corrected here as well.
- Schools review FAFSA information for inconsistency, possible errors and request documentation from the student.
- Schools adjust the EFC and award the student financial aid—usually some combination of scholarships, grants, loans and work study.

# Regular, Simple or Zero EFC

- The FAFSA uses skip logic to take students to just those questions they need to answer.
- Some families with low income will be eligible for the automatic zero EFC calculation---income less than \$24,000, not required to file 1040 or a recipient of means-tested benefit.
- Some will qualify for a simple calculation—income less than \$50,000, not required to file 1040 or a Dislocated Worker or recipient of a means-tested federal benefit. Assets are not counted in the formula.

# Parents and the FAFSA

- Parents—biological or adoptive parents are reported on the FAFSA
- Grandparents, aunts, uncles are not parents for the FAFSA
- If parents divorced, separated, never married—choose the parent who the student lived with the most in the past 12 months. If lived with them equally choose the one that gave the most support in the last 12 months. If equal support then choose????
- If FAFSA parent remarried, then step parent information is required too



# Independent or Dependent?

- Generally if under 24, single, no dependents, not an orphan, not a veteran and not a graduate student---- these students are Dependent
- Students over 24, married, have dependents, orphans, veterans or graduate students---these students are Independent
- Students in legal guardianships, foster care, ward of the court, certain categories of homeless students—these students are Independent
- Financial aid administrators can make students independent too—let's talk about that process

# Award Process

- Four year colleges send most award letters to students in March-May with late applicants or late admits sent letters throughout the year.
- Two year colleges will send on a more rolling basis throughout the year.
- Award letters are often electronic—students should check their email frequently. They often need to accept or reject their award by a deadline.
- Revisions to aid can occur throughout the year—part time status, extra costs due to buying a computer, medical expenses, parents or student lose job. Revisions occur through the aid office.

# UNDERGRADUATE -RESIDENT -FRESHMAN

0 EFC

Cost of Attendance	\$27,034
Minus EFC	0
Equals Need	\$27,034

Pell Grant	\$5,645
State Need Grant	\$10,868
Supplemental Grant	\$210
UW Grant	\$309
Subsidized Stafford Loan	\$3,500
Unsubsidized Stafford Loan	\$2,502
Perkins Loan	\$1,000
Work Study	\$3,000

## UNDERGRADUATE -RESIDENT -SENIOR

Cost of Attendance	\$27,034	12,001 EFC
Minus EFC	12,001	
Equals Need	\$15,033	

Subsidized Stafford Loan	\$5,500
Unsubsidized Stafford Loan	\$2,000
Parent Loan	\$7,533

# Important Tips for Students

- Research the priority deadline date for each school you apply to and make sure your FAFSA is received by the earliest date.
- Research scholarships at each school and apply by that deadline. Check out Scholarship Junkies at <http://scholarshipjunkies.com>
- Communicate with the financial aid office—don't make assumptions!
- Financial aid is available to help make most college experiences affordable!



# Myth Busters

Myth 1: My parents didn't claim me on their tax return so I'm independent

Myth 2: My parents don't support me so I'm independent

Myth 3: My income is too high (or my parents' income is too high) to receive any aid

Myth 4: There is no financial aid available because of all the budget cuts

Myth 5: Financial aid office reduced my aid because of my tax refund

Myth 6: There is no point in applying for scholarships-it just reduces my grant



# *More* Myth Busters

Myth 7: Everybody else knows how this works

Myth 8: Only low income people are on financial aid

Myth 9: They are going to discover I shouldn't be here



# Financial Aid Office or Business Office

- Financial Aid Office determines eligibility for aid, awards aid, monitors for continued eligibility and coordinates aid with other offices/agencies that also award aid
- Business Office bills students, disburses aid, processes refunds, receives and disburses scholarship checks from outside entities
- Depending on the school, either office may process loan promissory notes and report disbursements to the government





# College Bound Scholarship

- Commitment to low income middle school students who must sign-up prior to entering high school
- College access networks activated to increase sign-up across the state
- Focus on closing achievement gap, expanding access and increasing student success in college
- Guarantees at least enough state aid to cover tuition and \$500 in books



# SAMPLE AWARDS-UW

## NON COLLEGE BOUND AWARD 2013-14

Cost of Attendance	\$27,034		Pell Grant	\$5,645
EFC	0		State Need Grant	\$10,868
Need	\$27,034		UW Grant	\$519
			Student Loans	\$6,500
			Work Study	\$3,000
			Total	\$26,532
			Unmet Need	\$502

# SAMPLE AWARDS--UW

## COLLEGE BOUND AWARD 2013-14

Cost of Attendance	\$27,034		Pell Grant	\$5,645
EFC	0		State Need Grant	\$10,868
Need	\$27,034		UW Grants	\$519
			Student Loans	\$5,966
			Work Study	\$3,000
			College Bound	\$1,036
			Total	\$27,034

## COLLEGE BOUND AWARDED, 2013-14, UW

Campus	\$ Awarded	Recipients	% funds	% Recipients	\$ to EOP	EOP Recip
Seattle	\$2,149,000	959	69%	74%	\$1,187,000	540
Bothell	\$507,000	180	16%	14%		
Tacoma	\$487,000	161	15%	12%		
TOTAL	\$3,143,000	1,300			\$1,187,000	540

## STATE NEED GRANT

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- Largest state grant program for undergraduates residents
- Approximately \$303 million per year
- Based on Median Family Income of parents for dependent students and of student for independent students
- Legislatively allowed to go up to 70% MFI—funds not appropriated to achieve this level

## STATE NEED GRANT

- Approximately 3,200-3,500 ***unserved*** students per quarter at the UW, about 32,000 per year state wide.
- First time ever, not able to cover all on-time 0-50% MFI students. Funds cut off at 2501 EFC at the UW.
- Estimate an additional \$18 million needed for on-time population and another \$10 million for late applicants for UW.

# WASFA for Undocumented, 1079 students

- Legislature authorized undocumented students who met the “1079” residency provisions and are low income—can now receive State Need Grant
- About 180 students so far are receiving grants of about \$1.5 million for 2014-15 at UW
- Almost 300 students have applied, not all eligible, not all on-time and some still submitting affidavits at UW
- Generally, will need to meet regular priority filing date of school in future to be considered on-time
- Let’s talk process....



**HUSKY PROMISE®**



# HUSKY PROMISE<sup>®</sup>

- We guarantee that eligible students ***will not pay any tuition*** for four years of enrollment
- Tuition and standard fees will be covered by federal, state, and institutional support

# HUSKY PROMISE®

## WHO QUALIFIES?

- ✓ Must be an undergraduate Washington resident
- ✓ Must be eligible for Pell or Washington State Need Grant (low- or lower-middle income)
- ✓ Must file Free Application for Federal Student Aid (FAFSA) by priority deadline
- ✓ Attend full-time

# HUSKY PROMISE<sup>®</sup>

Academic Year	Number of Recipients
2007-2008	5,680
2008-2009	5,821
2009-2010	6,940
2010-2011	8,000
2011-2012	8,853
2012-2013	9,553
2013-2014	9,650 *

\*Estimated

# HUSKY PROMISE<sup>®</sup>

Source of Funds								
	2010-11		2011-12		2012-13		2013-2014 *	
<b>Federal Support</b>	\$32,217,000	<b>49%</b>	\$35,583,000	41%	\$38,500,000	36%	\$42,300,000	<b>37%</b>
<b>State Support</b>	\$25,988,000	<b>39%</b>	\$32,378,000	37%	\$42,650,000	40%	\$40,500,000	<b>35%</b>
<b>UW Support</b>	\$7,618,000	<b>12%</b>	\$18,654,000	22%	\$25,304,000	24%	\$31,800,000	<b>28%</b>
Total	\$65,823,000		\$86,615,000		\$106,454,000		\$114,600,000	

**\*Estimated**